

Foreword

This report provides a broad income picture of a cross section of the population aged 55 or older, with special emphasis on income of the population aged 65 or older. The tabulations focus on the major sources and amounts of income, both separately and combined, for these age groups. The relative importance of particular sources to total income is measured for individual units and the share of aggregate income from particular sources is measured for the aged as a whole. Proportions of the aged below the poverty line are presented in terms of their own incomes and the incomes of the families with whom they live. Several tables describe the economic situation of the aged with varying levels of Social Security benefits and total money income. These data are a valuable resource for policymakers and researchers in government and in the private sector.

Since 1941, the Social Security Administration (SSA) has periodically surveyed the economic situation of the aged as part of its legislative directive to study the most effective methods of providing economic security. Between 1963 and 1972, three surveys were made that were national in scope and sampled nonbeneficiaries as well as beneficiaries. In 1963 and 1968, SSA administered its own questionnaire and combined data from these surveys with Social Security record data of the survey respondents. In 1972, SSA benefit record data were combined with U.S. Census Bureau data from the March Current Population Survey (CPS).

SSA then began a series of biennial studies of the income of the aged based on CPS data alone. The first report in the series described the income of the population aged 55 or older, and in some cases the population aged 65 or older, based on 1976 data. The second report described apparent changes in the income of those age groups between 1976 and 1978. In the

interest of publishing the data in a more timely fashion, however, beginning with the 1980 report, publications in the series have consisted of tabulations only.

The source of data for this series is the March supplement of the CPS, which samples a large cross section of households in the United States each year and provides detailed information annually on income and labor force participation. Comparisons of CPS estimates with more precise estimates adjusted by federal income tax records and Social Security records indicate that some sources are underreported in the CPS. Also, changes that have been made in the survey from time to time have improved the measurement of income and labor force participation but have reduced the comparability of estimates between years. Despite the shortcomings of the CPS data, they are used here because they provide the best available measures of income for detailed subgroups of the aged.

The Census Bureau also conducts a survey called the Survey of Income and Program Participation (SIPP) to expand upon and improve the measurement of economic status. In future years, SIPP data may be incorporated into this series.

The data in this publication are presented in terms of either aged units or aged persons. An aged unit is a married couple living together or a nonmarried person. Using aged units or aged persons as the units of analysis allows one to measure incomes of the entire aged population either separately from or in combination with the income of other members of the families with whom they live.

The tables focus on the income of the aged population separately, whether or not they live with other relatives. In contrast, in Census Bureau publications using CPS data, aged persons living with a younger relative who is

considered the householder are classified as "families under 65." Thus, a portion of the aged population cannot be accounted for within the Census Bureau's categorization. But for the 23 percent of units aged 65 or older who lived with other family members in 1998, the income of the families with whom the aged units lived is important information. Therefore, data on family income of aged units are presented in tables II.1–2 and VIII.1–6.

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